

Mark E. Andrews
State Bar No. 01253520
Aaron M. Kaufman
State Bar No. 24060067
COX SMITH MATTHEWS INCORPORATED
1201 Elm Street, Suite 3300
Dallas, Texas 75270
(214) 698-7800
(214) 698-7899 (Fax)
mandrews@coxsmith.com
akaufman@coxsmith.com

COUNSEL FOR CITY BANK, TEXAS

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

IN RE:	§	CHAPTER 11
	§	
MEECHAM HOSPITALITY, LLC,	§	CASE NO. 12-40594-11
	§	Chapter 11
	§	
DEBTOR	§	
	§	

MOTION TO CONDITION USE OF CASH COLLATERAL

COMES NOW City Bank Texas ("City Bank") and makes and files this *Motion to Condition Use of Cash Collateral* and would show as follows:

1. On or about February 2, 2012, Meecham Hospitality, LLC (hereinafter "Meecham" or "Debtor") filed a voluntary petition for relief under chapter 11 of the United States Bankruptcy Code. As such, this Court has jurisdiction over this matter and this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A). Venue is proper in the Northern District of Texas, Fort Worth Division, as the main asset of this filing is a hotel located in Fort Worth, Texas.

2. City Bank, Texas ("City Bank") is the largest creditor in this case and holds a first lien deed of trust on the key asset, a Holiday Inn Express located in Fort Worth, Texas. City

Bank is owed approximately \$12.5 million. Copies of the promissory note, deed of trust and loan agreement are incorporated herein as Exhibits “A”, “B” and “C”, respectively.

3. As part of the loan to Meecham, City Bank has received a deed of trust which grants a first lien on the property, assigns rents to the lender as security and otherwise grants a blanket security interest in all assets of the Debtor. Pursuant to 11 U.S.C. § 363, it is City Bank’s position that it has rights in the receipts from the hotel operations and, as such, the receipts are cash collateral. City Bank is entitled to adequate protection both as part of its rights in the revenue generated by the property, but also as part of its lien on the real estate.

4. City Bank will consent to the use of its cash collateral so that the hotel can continue to operated, provided that City Bank obtain the following protections:

- a. Replacement liens on all of the revenues generated;
- b. Adherence to a budget to be provided to City Bank as soon as practicable and with a right to review by City Bank;
- c. Reports on results of operations to be delivered weekly to City Bank representatives, including a revenue and disbursements ledger, and a monthly comparison of actual to projected performance;
- d. Reasonable access provided to City Bank to books and records of the Debtor;
- e. The right of City Bank to audit;
- f. Payment of adequate protection to City Bank in the amount of \$63,698.58;
- g. Maintenance of appropriate insurance on the collateral;
- h. Timely payment of all property taxes and allocation for same;

i. Restrictions against any disbursements to equity until confirmation of a plan; and

j. Such other and further restrictions as may be prudent.

5. As the request of Meecham is for interim use of cash, a detailed order will not likely be presented and City Bank reserves its rights to comment on this Interim Order and any Final Order.

WHEREFORE, PREMISES CONSIDERED, City Bank requests that the Court condition Debtor's use of cash collateral on the conditions set forth above and for such other and further relief as is just.

Dated: February 6, 2012

Respectfully submitted,

COX SMITH MATTHEWS INCORPORATED

By: /s/ Mark E. Andrews

Mark E. Andrews

State Bar No. 01253520

mandrews@coxsmith.com

Aaron M. Kaufman

State Bar No. 24060067

akaufman@coxsmith.com

Elm Street, Suite 3300

Dallas, Texas 75270

698-7800

698-7899 (Fax)

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CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing document has been served this 6th day of February, 2012 either (1) electronically by the Court's PACER system or (2) by United States First Class Mail, postage prepaid, to the parties listed on the attached Service List.

/s/ Mark E. Andrews

Mark E. Andrews

SERVICE LIST

Debtor**Meecham Hospitality, LLC**

2100 Estes Park Drive
Southlake, TX 76092

Office of the U.S. Trustee
1100 Commerce St., Room 976
Dallas, TX 75242-1496
ECF:ustpreregion06.da.ecf@usdoj.gov

Counsel to Debtor**Clayton D. Ketter**

Phillips Murrah P.C.
101 N. Robinson, 13th Floor
Oklahoma City, OK 73102
cdketter@phillipsmurrah.com

Jeff Carruth

Weycer, Kaplan, Pulaski & Zuber, P.C.
3030 Matlock Rd., Suite 201
Arlington, Texas 76015
jcarruth@wkpz.com

NOTICES OF APPEARANCE

Eagle Mountain-Saginaw ISD

c/o Elizabeth Banda Calvo
Perdue, Brandon, Fielder, Collins & Mott,
L.L.P.
PO Box 13430
Arlington TX 76-94-0430
Email: ebcervo@pbfc.com